Montana Board of Oil and Gas Conservation Environmental Assessment

Operator: Nautilus Poplar, LLC. Well Name/Number: EPU 117 Location: SW NE Section 11 T28N R51E County: Roosevelt, MT; Field (or Wildcat) W/C
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Air Quality
(possible concerns) Long drilling time: No, 10 to 15 days drilling time. Unusually deep drilling (high horsepower rig): No, double or small triple derrick drilling rig to drill to 5450' TD. Possible H2S gas production: No H2S gas production anticipated. In/near Class I air quality area: Yes, Class I air quality area, Fort Peck Indian Reservation. Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under 75-2-211.
Mitigation: _X Air quality permit (AQB review) _ Gas plants/pipelines available for sour gas _ Special equipment/procedures requirements _ Other: _ Comments: Double or small triple derrick drilling rig to drill to 5450' TD. No special concerns.
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Water Quality
(possible concerns) Salt/oil based mud: Yes, freshwater and freshwater mud system on surface hole, salt saturated mud system on the intermediate string hole and mineral oil in the openhole. High water table: No high water table in this area. Surface drainage leads to live water: No, closest surface drainage is an unnamed ephemeral drainages, about 1/2 of a mile to the northeast and about ¾ of a mile to the southwest from this location. Water well contamination: No, all water wells shallower than surface casing setting depth of 1,100'. Closest water wells to this location are 7/8 of a mile or further from this location. Surface hole will be drilled with freshwater and surface casing set and
cemented back to surface from 1,000'. Porous/permeable soils: No, sandy silty soils. Class I stream drainage: No Class I stream drainages. Mitigation:
X Lined reserve pit X Adequate surface casing Berms/dykes, re-routed drainage Closed mud system Off-site disposal of solids/liquids (in approved facility) Other:
Outer

Comments: 1,100' of surface casing cemented to surface is enough surface casing to cover the Judith River Formation.

Soils/Vegetation/Land Use

(possible concerns)

Steam crossings: None anticipated.

High erosion potential: No, small cut up to 4.5' and small fill, up to 2.5' required.

Loss of soil productivity: No, location will be restored after drilling, if nonproductive. If productive unused portion of drillsite will be reclaimed.

Unusually large wellsite: No, large location for a well of this depth, 320'X350' location size required.

Damage to improvements: Slight, surface use is a cultivated field.

Conflict with existing land use/values: Slight

Mitigation

- ___ Avoid improvements (topographic tolerance)
- Exception location requested
- X Stockpile topsoil
- __ Stream Crossing Permit (other agency review)
- X Reclaim unused part of wellsite if productive
- Special construction methods to enhance reclamation
- <u>X</u> Other: <u>Requires DEQ General Permit for Storm Water Discharge Associated</u> with Construction Activity, under ARM 17.30.1102(28)

Comments: Using existing county gravel roads and existing farm driveway. Will have to build about 384' of new access road into location off existing farm driveway. Drilling fluids and completion fluids will be hauled to a commercial Class II disposal Cuttings will be left in the lined pit. Cuttings and pit will be buried after being allowed to dry. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Closest residences are about 3/8 of a mile to the south and $\frac{1}{2}$ of a mile to the northeast from this location.

Possibility of H2S: None anticipated.

Size of rig/length of drilling time: <u>Double or small triple drilling rig 10 to 15 days drilling</u> time.

Mitigation:

- _X_Proper BOP equipment
- __ Topographic sound barriers
- __ H2S contingency and/or evacuation plan
- Special equipment/procedures requirements
- Other:

Comments: <u>Proper BOP and adequate surface casing should mitigate any problems</u>. No concerns.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified.

Proximity to recreation sites: None identified.

Creation of new access to wildlife habitat: No

Conflict with game range/refuge management: No

Threatened or endangered Species: <u>Threatened, endangered or candidate species</u> identified are the Pallid Sturgeon, Interior Least Tern, Piping Plover and the Whooping
Crane.
Mitigation:
Avoidance (topographic tolerance/exception)
_ Other agency review (DFWP, federal agencies, DSL)
Screening/fencing of pits, drillsite
Other:
Comments: No live water nearby. Private surface lands. Surface use is a
cultivated field.
Historical/Cultural/Paleontological
(possible concerns)
Proximity to known sites: None identified.
Mitigation
avoidance (topographic tolerance, location exception)
other agency review (SHPO, DSL, federal agencies)
Other:
Comments: Private cultivated surface lands. No concerns.
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Contal/Formania
Social/Economic
(possible concerns) Substantial effect on tax base
Create demand for new governmental services
Population increase or relocation
Comments: Wildcat location. No concerns.
Remarks or Special Concerns for this site
Well is a 5450' TD vertical Mission Canyon Formation test in Roosevelt County.
Well is a 3430 TD Vertical Mission Carryon Formation test in Roosevert County.
Summary: Evaluation of Impacts and Cumulative effects
No significant long term impacts expected, some short term impacts are expected.
I conclude that the approval of the subject Notice of Intent to Drill (does/does not)
constitute a major action of state government significantly affecting the quality of the
human environment, and (does/does not) require the preparation of an environmental
impact statement.
Prepared by (BOGC):_/s/Steven Sasaki
(title:) Chief Field Inspector

Date: <u>August 13, 2010</u>
Other Persons Contacted:
Montana Bureau of Mines and Geology, GWIC website (Name and Agency) Roosevelt County water wells (subject discussed)
_August 13, 2010
ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA COUNTIES, Roosevelt County (subject discussed)
August 13, 2010 (date)
If location was inspected before permit approval: Inspection date: Inspector: Others present during inspection: